

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES
NEW YORK BRANCH OFFICE

TARGET CORPORATION

and

Case Nos. 29-CA-30804
29-CA-30820
29-CA-30880
29-RC-12058

UNITED FOOD & COMMERCIAL
WORKERS LOCAL 1500

Michael Berger and Lara Haddad, Esqs.,
Brooklyn, NY, for the General Counsel.
Alan I. Model, Esq., (Littler Mendelson, P.C.),
Newark, NJ, for the Respondent.
Jessica Drangel Ochs and Patricia McConnell, Esqs.,
(Meyer, Suozzi, English & Klein, P.C.),
New York, NY, for the Union.

DECISION

Statement of the Case

STEVEN DAVIS, Administrative Law Judge: Based on charges filed by United Food and Commercial Workers Local 1500 (Union) in Case No. 29-CA-30804 on May 23, 2011, and in Case No. 29-CA-30820 on June 8, 2011, and in 29-CA-30880 on July 8, 2011, a second order consolidating cases and amended consolidated complaint was issued on December 30, 2011 against Target Corporation (Respondent, Employer or Target).¹

The complaint alleges, essentially, that in its Team Member Handbook revised in July, 2009, the Respondent promulgated and since then has maintained certain unlawful rules, as follows: (a) No-Distribution rule (b) "Use Technology Appropriately" policy (c) "Communicating Confidential Information" policy and (d) "Unauthorized access to confidential information" policy.

It is also alleged that in its Team Member Handbook revised in July, 2009, and February, 2011, the Respondent promulgated and since then has maintained certain unlawful rules, as follows: (a) "After Hours" rule (b) No Solicitation/No Distribution Policy (c) "Dress Code" policy and (d) a Parking Lot policy.

The complaint also alleges that the Respondent threatened employees with discipline for engaging in activities on behalf of the Union; gave employees the impression that their activities on behalf of the union were under surveillance; and enforced its no-solicitation policy by directing employees not to solicit for the Union anywhere on the Respondent's premises, which includes non-work areas.

¹ All dates herein are in 2011 unless otherwise stated.

The complaint also alleges that the Respondent threatened employees with unspecified reprisals for their support for and/or activities on behalf of the Union; distributed a leaflet to its employees in which it threatened them that its Valley Stream facility would close if they chose the Union as their collective-bargaining representative; and in or about April and/or May, 2011, showed its employees a video which states that the Respondent will enforce its solicitation and distribution policies.

The complaint further alleges that the Respondent enforced its no-solicitation policy by directing employees not to solicit for the Union on the Respondent's property, and interrogated employees regarding their Union activities. Finally, the complaint alleges that the Respondent threatened its employees that if they chose the Union as their collective-bargaining representative and there was a strike, the Valley Stream facility would close.

The Respondent's answer denied the material allegations of the complaint.

On May 10, the Union filed a petition in which it sought to represent a unit, essentially, of all full-time and regular part-time employees. The parties entered into a Stipulated Election Agreement pursuant to which an election was held on June 17. The Tally of Ballots showed that of approximately 268 eligible voters, 85 cast their ballots for the Union, 137 voted against the Union, and there were 6 challenged ballots which did not affect the outcome of the election.

On June 24, the Union filed objections to conduct affecting the results of the election. On January 20, 2012, the Regional Director for Region 29 issued a Report on Objections, Order Consolidating Cases and Notice of Hearing. The Report stated that certain objections were substantially identical to the complaint allegations, and accordingly, ordered that the objections case and the unfair labor practice case be consolidated for hearing.²

On February 1-3, 6, 7, 10 and 13, 2012, a consolidated hearing was held before me in Brooklyn, New York. Upon the evidence presented in this proceeding, and my observation of the demeanor of the witnesses and after consideration of the briefs filed by the General Counsel, Respondent and the Union, I make the following:

Jurisdiction and Labor Organization Status

The Respondent, a domestic corporation with various retail stores, including a retail store located at 500 West Sunrise Highway, Valley Stream, New York, the only location involved herein, is engaged in the operation of department stores. During the past year, the Respondent derived gross annual revenues valued in excess of \$500,000 from the operations of its stores and, during the same time period, received at its Valley Stream facility, goods valued in excess of \$50,000 directly from enterprises located outside New York State. The Respondent admits, and I find that it has been an employer engaged in commerce within the meaning of Section 2(2), (6) and (7) of the Act. The Respondent also admits, and I find that the Union is a labor organization within the meaning of Section 2(5) of the Act.

Background

The Respondent, a major nationwide retail store, opened 50 years ago. None of its 1,755 stores have been successfully organized by a union. As set forth above, the Union filed a petition to represent the employees of the Valley Stream store, leading to a campaign for and

² The Union withdrew certain objections that it had filed.

against union representation by the Union and the Respondent.

During the course of the campaign, both parties distributed literature and conducted meetings in an effort to convince the workers of the merits of their cause. In addition, the Respondent showed videos to its workers.

Organizational Hierarchy and Operations

The Respondent's headquarters is located in Minneapolis where the human resource executives set the employment policies of the Valley Stream store. That store has about 268 unit employees, called "team members" who are supervised by "team leaders" who report to "executive team leaders."

The store manager, Laura Pena, is called the "store team leader." Respondent's aim is to provide the best possible experience for its customers, called "guests." Pena stated that when she arrived at the store in late September, 2010, she found its operations "scary... pretty much operationally broken." Pena testified that she did not want the Valley Stream store to become Target's first unionized store, but stated that she did not become upset when she learned that the Union sought to organize it.

The store's human resources department is headed by executive team leader Karrien Stone who became employed at Valley Stream in February, 2011, to correct a "disheveled, disoriented" human resources operation.

The store is situated in the Green Acres Mall area. It has two parking lots. The employee entrance to the store is located directly in front of one of the parking lots. The store is open 24 hours a day, seven days a week. However, it is only open to the public for certain hours during the day. After the store closes for the day, employees on the "overnight shift" perform such tasks as stocking shelves and preparing and setting displays.

I. Findings of Facts Concerning the Alleged Threats, Creation of the Impression of Surveillance and Interrogation

A. The Alleged Unlawful Threats

1. Threat to Discharge and the Threat of Unspecified Reprisals

Employee Tashawna Green, an active supporter of the Union, testified that in early March, 2011, she spoke with employee Matthew King in the store's fitting room. King told her that a union was needed in the store and Green agreed. At that point, team leader and admitted supervisor Deborah Joseph told them "not to let them hear us mention anything about a union. You could be terminated." Green asked Joseph if she was serious, and Joseph replied that she was, adding "they don't want to hear anything mentioned about a union."

King testified that in early March, 2011, he was working with Green in the fitting room when Joseph gave him a work order. King, stating that he was "just playing around" said "oh, we need a union. We need a union." He stated that, just then, Joseph walked by and was in a position to hear his comment. He quoted Joseph as saying "don't talk like that. You could get written up for talking like that" or "talking about stuff like that." Although King first stated that Green did not say anything to prompt Joseph's comment, he also commented that he and Green were speaking about a union, and his pre-trial affidavit states that "Green and I were discussing unions in general. I don't recall our exact words."

Joseph denied knowledge of the above incident and denied the comments attributed to her by Green and King, specifically denying telling them that they could be fired for speaking about a union.

A newspaper article in "Newsday" bears a date of May 16 and pictures Green holding a "Target Change" poster. "Target Change" is the Union's slogan used in the campaign. The article quoted Green as saying that "concerns she and her co-workers have raised were not being addressed. We decided in order for us to be heard, we need a union, otherwise they are not listening."

Green, who stated that she gave statements to the news media about the organizational campaign, testified that on May 17, admitted supervisor Nicole Barrett "pulled" her into the men's accessories department and told her that she saw an article in which Green claimed that management was not listening to what the workers had to say. Green stated that Barrett read the article briefly while standing there. Barrett asked her "what management" she was referring to. Green replied that it was "management overall." Green quoted Barrett as saying "I'm not here to tell [you] what to do; it's [your] decision on how [you] want to vote. Just be careful of what you do cause you never know what could happen."

2. The Threats to Close the Store

a. The Leaflet

The Respondent distributed the following leaflet to its employees before the election:

WILL THE STORE CLOSE IF THE UNION GETS IN?

There are **no guarantees**. Here are the FACTS:

Companies close stores for economic reasons.

Our store will stay open only so long as it meets Target's economic and operational needs. **A UNION WILL NOT CHANGE THESE FACTS.**

The Union has a terrible record of store closings:

The International union has lost 89,000 members in 10 years because MEMBERS LOST JOBS.

32 store closings announced by A & P February 11.

The local was happy that only 4 NY stores were closing.

We all owe our jobs to the closing of the Caldor store that was in our building. It had the union. It closed.

Target's record is different:

Almost doubling of stores and jobs in the same 10 years where the UFCW International union lost over 89,000 members!

No dues payments for the right to work.

Target has closed stores that did not perform economically.

Our future depends on:

Each of us, doing our job to the best of our abilities.

Our store's economic health.

Would a union help?
Rigid union work rules and seniority systems could hurt.
They *could* help economically by negotiating wage and benefit
CUTS.

5 *Who wants to pay dues for that kind of help?*

WHEN WAS THE LAST TIME YOU HEARD OF A UNION
HELPING MEMBERS DO THEIR JOB ... OR BENEFITING A
COMPANY'S ECONOMIC HEALTH?

10

VOTE NO

/s/ Laura Pena

*PS Any leader can show you the union's membership drop and
A & P store closings. (Emphasis in the original)*

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The Respondent alleges that the above leaflet was distributed as a response to one of the Union's messages contained in a flyer concerned with "myths and facts about union." According to the Union's flyer, one "myth" was that "companies close due to unions." The "fact" set forth in the flyer stated that "companies close for economic reasons – and the vast majority of companies that close are nonunion. Some companies, however, like to keep this myth alive. Half of employers illegally threaten workers who form a union by saying the plant will close. Studies have shown that, in fact, unions help decrease employee turnover and can increase efficiency."

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b. The Meetings with Employees

The Respondent routinely holds frequent, two to three times per day, informal "chat sessions" or "huddles" during which supervisors speak to the workers concerning matters of interest relating to the store. During the period prior to the election, the Respondent utilized those sessions to speak to the workers about the Union. The Respondent's managers testified that they were trained by its labor relations department as to what they could and could not lawfully say to the workers about the union campaign.

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In response to the Union's campaign, the Respondent designed a program in which four distinct topics were presented to its employees at meetings.

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The large number of employees and the different shifts they worked prevented all the workers from attending the meetings at one time, so each of the four topics was presented at about 10 meetings of 10 to 15 employees each. Separate videos were shown to the employees at the first three meetings. It was stipulated that almost all the employees in the unit had been shown the three videos. The meetings took place between April and June, 2011, before the election.

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Present at the first three meetings were store manager Pena and Pablo Eguez, the Respondent's labor relations manager. Respondent's senior vice president for human resources, Derek Jenkins, spoke at the fourth meeting. Pena and Jenkins stated that they read from a script at each of the meetings and did not vary from the script. However, when questions were asked by employees at the end of each meeting, they did not read from a script in answering the questions. Pena stated that the purpose of the script was to ensure that she gave a "consistent" message to all the workers. Workers testified variously that the managers read from a script at the meetings, or did not read from a script.

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Pena led the first meeting which was concerned with the general topic of "unions." A video entitled "Think Hard Protect Your Signature" was shown. Pena testified that the script that she read portrayed the Union as a business. An actor in the video stated that "a union is a business. And like any other business, it has to bring in money to survive. But it doesn't have
 5 any products to sell. Instead, it sells memberships. The more memberships it sells, the bigger the business." That video also contained the message that "you can rely on us to enforce all solicitation, distribution, and harassment policies."

Employee Charmain Brown testified that at one of the meetings in May at which about
 10 five employees were present, Pena told them that the meeting was called because an employee mentioned that the union was "harassing" workers. Pena, speaking from a script, told the assembled workers that the union "took over" Wal-Mart and the union "shut down" that store. Pena told the employees that her boyfriend was in a union, was injured and, although he was no longer employed, the union continued to deduct dues from his pay. Pena concluded by saying
 15 that she loved the store and did not want to see it change or go any place, but "if the union comes in this store is going to shut down." Brown stated that an employee asked why the store would close if the plans were that the store would expand. Pena did not answer that question.

20 Pena denied telling the employees that the store would close if the union successfully organized the employees.

The second meeting, which took place on about June 9, concerned negotiations and collective-bargaining. A video was shown entitled "Essentials: Collective Bargaining."

25 Employee Averil Bracey was present at the meeting and testified that Pena used a flip chart to demonstrate "the figures if the Union were to come in." According to Bracey, Pena said that the Union did not have the "nerve" to collect dues payments itself and instead relied upon the Respondent to do its "dirty work" by deducting dues from employees' paychecks. Bracey
 30 stated that Pena claimed that such extra work would cost the Respondent "administration fees" of \$3 million per year "which is going to make the store close."

Bracey challenged Pena, stating that since a sign advises the store's customers that it gives \$3 million per week to charity, the Respondent should take one of those weekly donations and "take care of the union thing." According to Bracey, Pena became angry, slapped her hand
 35 on the table and said "Averil, I'm not going to go through this with you all night long... it's plain to see how you're voting. I can see you're voting for the union." Pena then directed her assistants to leave and they left with Pena.

40 Pena conceded that Bracey asked that the money the Respondent gives to volunteer events should instead be given to its employees. Pena stated that Bracey was loud, boisterous, and "belligerently disrespectful," interrupting her repeatedly during the meeting, raising her voice in a mocking way, and asking how the Respondent could give money to charity rather than to its employees. Pena denied banging on the table, losing her temper or walking out. Human
 45 resources official Stone denied that Pena or Eguez told the workers that the store may close if the union came in. She denied that Pena lost her temper, slammed a book on a table or stormed out of the room in response to Bracey's comments.

Pena stated that she read from a script and showed employees a flipchart containing the
 50 cost to the Respondent if all employees received a \$2.00/hour wage increase and were guaranteed a 40 hour work-week, benefits the Union allegedly promised to the workers if it won the election. However, she admitted speaking about union dues at the meetings, but denied

saying that the Respondent would have to do the Union's dirty work of deducting dues from workers' paychecks.

5 Pena denied telling the employees, at any meeting, that the store would or may close, and indeed did not mention anything about a store closing at all. Pena specifically denied telling the workers that a \$3 million expense would cause the store to close, and Eguez denied that they mentioned that it would cost \$3 million to administer the dues deductions. Indeed, Pena stated that she is in no position to decide if the store would close

10 At the third meeting, led by Pena and Eguez, a video was shown, entitled "Essentials: Strikes." Employee Betsy Ann Wilson saw Pena read from a script.

15 The fourth meeting, called the "25th hour meeting," was held on about June 15. Pena introduced official Jenkins. She stated that they both read from their scripts, rehearsing before the meetings. They stated that they did not entertain employee questions at the meeting.

20 According to employee Averil Bracey, Pena spoke from a script and introduced Jenkins. Bracey stated the Jenkins, not reading from a script, said that the Valley Stream facility was a good store. He told the workers that sometimes when a union organizes a store, it encourages the workers to strike, but Target had 33,000 employees who could replace the 280 workers at the store. He added that "in case of a strike I have no problem closing the store because... sometimes... when they're striking they'll just close a store." Pena then said that employees should "vote for yourself... vote no for the Union, because if the union come in then this will lead to closing the store."

25 Jenkins stated that the Respondent's labor relations department wrote his speech but he retyped it, putting it into his "own words." He then returned it to the labor relations department for its review and approval.

30 The script that Jenkins stated that he read from, reads as follows on this point:

35 One thing you need to think about very seriously is that we have ALMOST 1800 STORES and 350,000 TEAM MEMBERS. We would have no difficulty hiring PERMANENT REPLACEMENTS for ECONOMIC STRIKERS. Unions like to call a strike an "economic war." The 260 TMs [team members] here against 350,000 does not feel like good odds to me. I repeat 260 against 350,000... (Emphasis in original)

40 Jenkins testified that his only mention of a store closing was that he told the workers that the store closed once before when it was owned by Caldor. His script, which he read, stated as follows on this point:

45 YOUR STORE CLOSED ONCE BEFORE WHEN IT WAS OWNED BY CALDOR. I know some of you were here and remember that situation. At that time, it was RERPESENTED BY THIS SAME UNION. It closed because the company DID NOT PERFORM well enough economically to continue operating. THE UNION DID NOT CHANGE THAT FACT FOR CALDOR. (Emphasis in original)

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Jenkins testified that, in reading his script to the workers, he emphasized the economic factors that cause businesses to close. He was aware that employees had asked whether the store would close, and he answered that this store would not close but that there are reasons why a store could close. Employees Pebrow and Smaine stated that Jenkins and Laura read from scripts. Human resources official Stone stated that Jenkins and Pena spoke from scripts, and she denied that either said the store would close if the union came in or that the store would close for any reason.

In addition, numerous employees, including Sonia Williams, an active union supporter, Jennifer Pebrow, Eva Reaves, Betsy Ann Wilson, Wesly Symby, and Antonia Smaine denied that Pena or Jenkins said that the store would or may close due to the Union during the meetings held with the workers at which they were present.

Team leader Lance King testified that at the first meeting he did not see any scripts. He did not attend the next two meetings, but at the fourth meeting, Pena and Jenkins spoke from scripts. Neither said the store would close because of the Union. He noted that Jenkins said that a store would close only for business reasons – if it was not meeting sales goals or not making money.

Pena, Eguez and Jenkins all denied telling the workers that the store would or may close if the Union was selected as the employees' representative. Employer official Karrien Stone denied that Pena or Jenkins said that the store would or may close.

B. The Creation of the Impression of Surveillance

Employee Sonia Williams, a union supporter, stated that on about April 26 and 27, she distributed about 24 copies of a Crain's New York article to employees before her work shift and while she was on her break. The article spoke about this organizing campaign.³

Williams stated that on April 28 she was called in to store manager Pena's office. Also present was human resources supervisor Stone. Pena told Williams "Sonia, I know we're in the midst of a campaign, but it has been brought to my attention that you are soliciting team members for the union." Williams replied that "you know where I stand with the union and if I speak to a team member, I'm speaking to them off the clock." Pena answered that "we're not supposed to do it in Target premises" whereupon Williams asked "in the break room, on my break time?" Pena replied "not on Target's premises." Williams asked "in the parking lot?" Pena said "no." Williams then asked whether she could solicit in the "adjoining parking lot" and Pena said that she would have to research that, but did not contact Williams with the answer. Pena concluded the meeting by asking "are we clear on that?" Williams said they were.

Pena denied that she met with Williams in her office with Stone on April 28, but admitted that she and Stone met with Williams in response to her learning that she had been "soliciting" employees while they were working. Also Pena had received a report that several employees claimed that they were being "bothered" by her – being asked by her to speak about "something." Pena stated that one of her leaders saw Williams speak to an employee. Pena testified that she told Williams that she could solicit other workers but not while either she or those employees were on the clock. Pena denied telling Williams that she could not solicit on Target's property. Pena acknowledged that Williams asked if she could solicit in the second parking lot, and she replied that she was not certain, but she or Stone would respond to that

³ The article is dated April 24, 2011.

question.

Stone denied meeting with Pena and Williams on April 28, and similarly denied any meeting in which Williams was told not to solicit on Target's property. She further denied prohibiting any employee from soliciting when they were not on duty.

C. The Alleged Unlawful Interrogation

Aly Waddy is the Union's director of special projects who directed the campaign and coordinated the Union's activities. The Union's campaign to organize the Respondent's unit employees began in about March, 2011.

Waddy testified that she had an appointment to pick up several employees on June 9 at the store and drive them to an organizing meeting. She arrived at the facility just prior to 8:00 a.m. She parked her car and employee Dennis Baker left the store and entered her car. A few minutes later, employees Devin Jones and Raul Stewart left the store and were walking to their car. Waddy left her car and walked toward Stewart's car. They began speaking at Stewart's car when admitted supervisor and executive team leader Michael Casolino, and store security guard Ajay Bharat approached them.

Casolino asked Jones and Stewart "what are you guys doing?" To Waddy, the two workers appeared frightened and nervous. According to Waddy, Casolino, referring to all three employees said "you guys can't talk here." Waddy asked why not and Casolino said that "you are on Target's property." Waddy protested that they were just having a conversation. Casolino repeated "you can't talk here." Casolino repeated that "you can't talk there." Waddy asked him if he is prohibiting people from speaking there and Casolino said "you are on Target's property." Waddy asked him to define which property was Target's, and Casolino replied "the store, the two parking lots."

Later in her testimony, Waddy said that Casolino told her that they could not speak there "because you are talking about the union." At that time Waddy asked if they could speak across the street, and Casolino replied "not if you are talking about the same thing. The whole mall would have a problem with it."⁴ Waddy answered that he could not "mandate" what his employees speak about, and Casolino replied that "we can do whatever we want, we're a corporation." Waddy said "the whole mall? Really?" Casolino laughed and asked them to leave, and Casolino then asked employee Stewart what he was doing and Stewart walked away.

According to Waddy, Stewart then opened his car door and started the engine. He then began to walk away from the area, but then ran away leaving the engine running. After Stewart left the area, Casolino asked Jones "what are you doing?" and Jones left the area. Then Casolino told Waddy "you have to go." She replied that Stewart's car's engine was still running. She returned to her car and sat there, waiting. After about 10 minutes, Jones and Stewart returned and left in their car. They did not attend the organizing committee meeting that day.

Waddy's testimony is generally consistent with an incident report she wrote on the day the incident occurred. Moreover, she testified that she did not recall distributing any literature on the store's property prior to the election.

⁴ Later in her testimony, Waddy stated that Casolino mentioned that whether they could speak in that area "depends on what they're speaking about."

Casolino testified that during the election campaign he observed Target's employees and union representatives distributing literature in the store parking lot. On the day at issue, he did a "random walk" through the parking lot. As he left the building he noticed three employees who had just left work being given flyers by Waddy at a car. Waddy testified, contradicting
 5 Casolino, that neither she nor any other Union agents distributed literature at the store or in the parking lot.

Casolino stated that he approached Waddy alone and told her that "there's a no solicitation policy on Target property so you can't distribute this to any of our team members...
 10 you can't solicit on Target property. You know you don't work for Target, you cannot be on our property soliciting, handing out any kind of material or just giving anything to our team – you can't distribute anything." Casolino and Waddy "argued back and forth" and she asked where she could "go." Casolino replied that she could be anywhere not on Target property. According to Casolino, Waddy became argumentative and he left the area. She remained at the lot for a
 15 period of time and then left, and the employees with her entered their car and left also.

Casolino stated that security guard Bharat was present at the time but did not know if he was present when he spoke to Waddy. Casolino denied directing any of his remarks toward any employee, specifically denying that he asked employees what they were doing or telling them
 20 that they could not talk at that location. He also denied that an employee's car's engine was running or that anyone ran from the area. Casolino further denied mentioning anything to Waddy about the mall.

Guard Bharat testified that on June 9 between 8 and 9 a.m. while standing at the
 25 employee entrance to the store, he observed Waddy hand a "pamphlet" to the store's cart attendant in the parking lot. Bharat stated that he called Casolino to accompany him to the parking lot. He and Casolino approached Waddy. Bharat told her that the Respondent's no solicitation policy prohibits solicitation of employees while they were working, and he asked her to leave the property. He said that no mention was made of union solicitation or soliciting at the
 30 mall. Bharat stated that Casolino did not speak to Waddy.

Bharat stated that about three other employees were in the lot at that time, whom he later learned had just finished their shifts. He did not hear Casolino say anything to Waddy or the 3 overnight employees, and did not see a car's engine running or anyone running from the
 35 lot, stating that if he witnessed such activity he would have called the police.

Store manager Pena testified that on June 9, upon her arrival at the store, she saw Waddy distributing literature to two employees in the parking lot. She asked Casolino to tell her to stop "soliciting" in the lot. She did not definitely recall, but she may have also asked Bharat to
 40 accompany Casolino. Nevertheless, two supervisory people went to the lot at her request - Casolino and an asset protection person.

II. Analysis and Discussion Concerning the Alleged Threats, Creation of the Impression of Surveillance and Interrogation

A. The Threats to Close

1. The Leaflet

The complaint alleges that the leaflet distributed to employees during the campaign
 50 unlawfully threatened that the Respondent would close its store if the Union successfully organized its employees.

As set forth above, the leaflet stated that the store would remain open only as long as it was economically feasible to do so. However, the leaflet emphasized that the Union “has a terrible record of store closings” as if it was responsible for a store’s shutting its doors.

Specifically, the leaflet stressed that there were 32 closings of A & P stores which were represented by the Union, and that the Union lost 89,000 members in 10 years because the union’s members lost their jobs.

It is well settled in Board law that an employer is free to predict the economic consequences it foresees from unionization, so long as the prediction is “carefully phrased on the basis of objective fact to convey [its] belief as to demonstrably probable consequences beyond [its] control.... If there is any implication that an employer may or may not take action solely on his own initiative for reasons unrelated to economic necessities and known only to him, the statement is no longer a reasonable prediction based on available facts but a threat of retaliation ... without the protection of the First Amendment. *NLRB v. Gissel Packing Co.*, 395 U.S. 575 (1969). Absent the necessary objective facts, employer predictions of adverse consequences arising from unionization are not protected by Section 8(c), rather they constitute threats that violate Section 8(a)(1). *Homer Bronson Co.*, 349 NLRB 512 (2007).

In *Quamco. Inc.*, 325 NLRB 222, 223 (1997), the Board found that the employer created a “UAW WALL OF SHAME” in which it listed the names of UAW-represented companies that had closed, and with the respondent’s name followed by a question mark. The Board found that, although the display was factually accurate as to the union-represented plants that closed, the display “clearly implies that the closings were the fault of the UAW.” The Board found that the employer offered no explanation of the basis for its assertion that the UAW was to blame for the closings of the other plants, or any objective facts as the basis for a belief that, for reasons beyond its control, selection of that union might cause this employer’s plant to close.

The Board noted that, as here, there is no evidence that the employees had been told that the future of the respondent’s store was in doubt or that the respondent had any economic reasons for considering closing the plant.

Rather, here, the Respondent asserts that the Union first raised the question whether the store would close if the Union successfully organized it, and the leaflet was the Respondent’s answer to that question. That may be true, but in answering the question the leaflet states no objective facts to warrant such a possibility.

Similarly, in *Bronson*, above, the Board found that the employer’s chart showing that over the last 15 years, 13 companies, which had been represented by the union that sought to organize it, closed. The Board held that the employer presented no objective facts to support the “respondent’s clear implication that the ... plant closing was caused solely by the fact that the “strike happy” UAW represented those employees.” In finding that the employer threatened plant closure, the Board found an “inevitable linkage between unionization and job loss, and that the employees could reasonably infer that “ a vote for the union will threaten the employees’ future employment.”

While it is true that the leaflet mentions that stores close for economic reasons, that message constituted only a small part of the leaflet, with the major emphasis being on the union’s being an important factor in the closing of a large number of stores.

I accordingly find and conclude that the leaflet constituted a threat to close the Respondent’s Valley Stream store, and as such violated Section 8(a)(1) of the Act.

2. The Remarks Made at the Meetings

As set forth above, employees Bracey and Brown testified that, at meetings conducted by Respondent's officials, the workers were told that if the Union was selected as the employees' representative, the store would close.

Making a finding concerning what employees hear at a meeting is especially difficult. Of the more than 200 employees who heard the officials' speeches, only two testified that they heard the threats. Significantly, other employees present at the meetings at which the threats were allegedly made denied hearing those threats. It is clear that if the Respondent was intent on making such threats it would have repeated the threats at all the meetings held with employees.

The Respondent's officials stated that they spoke from scripts and did not deviate from those scripts. Witness testimony, however, was unclear on this point. Certain employees testified that they saw them speaking from scripts, and others said that they did not speak from scripts. A review of the scripts, which are in evidence, establishes that no threats were made as testified by the employees.

As to Brown's testimony, she conceded that Pena read from a script during that meeting, but the script does not contain a threat to close. Brown's testimony concerning the threat would have been more credible if there was evidence that the store expected to expand. That would have supported Brown's testimony that Pena was asked why the store would close if it had plans to expand. However, no evidence was adduced that there were plans to expand the store.

As to Bracey's quotation of Pena that if the Respondent had to undertake to check off dues, the added expense of \$3 million would cause the store to close does not make sense. First, there is no requirement that an employer agree to a dues check-off clause. Second, the amount at issue seems unusually large.

Finally, I cannot credit Bracey's testimony that Jenkins told the workers that if there was a strike, the store would close, or that if the union was voted in, the store would close. What he actually said, which is confirmed in the script he read, was that employees could be permanently replaced in the event of an economic strike.

I accordingly cannot find that Pena or Jenkins threatened employees with store closure during the group meetings they held with the workers as testified by Bracey and Brown, above.

B. The Threats of Discharge

As set forth above, employees Green and King testified about their conversation concerning the Union in early March, 2011, which I find was overheard by supervisor Joseph. I find, as testified by Green and King, that Joseph told them that they should not be speaking about a union or they could be discharged.

I credit Green and King essentially because their testimony was mutually corroborative. They both identified the area in which they were situated at the time of their conversation, and that supervisor Joseph was in the area.

The Respondent correctly notes that there was some discrepancy between the testimony of the two employees. Thus, King did not recall Green asking if Joseph was serious in threatening them, and that King did not hear Joseph use the word "union" during their

conversation. Nevertheless, Joseph's remark clearly contemplated that she was rebuking the two because they spoke about the Union.

It is also true, as Respondent argues, that Green's credibility suffered somewhat in denying that she spoke with another employee about the union although she testified that she spoke to King about the need for a union. Further, she denied distributing union literature in the parking lot although other witnesses saw her engaging in such activities. However, such infirmities in her testimony do not lead me to discredit it as to the alleged threats.

I accordingly find and conclude that the Respondent unlawfully threatened Green and King with discharge because they spoke about a union.

C. The Threat of Unspecified Reprisals

I also credit Green's testimony that supervisor Nicole Barrett told her that she should be careful in what she does because "you never know what could happen." Barrett did not testify. I credit Green because the undisputed documentary evidence supports a finding that this incident occurred. Thus, Barrett's comment occurred one day after the Newsday article appeared in which Green criticized the Respondent for not addressing certain concerns that she and her co-workers had. As set forth above, Barrett asked her "which management" she was referring to and warned her to "be careful ... cause you never know what could happen." Green's quotation in the article lends support to her testimony that she was warned about such conduct. Inasmuch as Barrett did not testify, the statement attributed to her was undenied.

I find, as alleged, that Barrett's comment to Green constituted a threat of unspecified reprisals.

D. The Creation of the Impression of Surveillance

Regarding the allegation that the Respondent created the impression that it was engaging in surveillance of employees' union activities, I credit employee Sonia Williams' testimony that only one or two days after she distributed about two dozen copies of a newspaper article concerning this campaign, she was called into manager Pena's office and told that it was "brought to my attention that you are soliciting team members for the union."

The Board's test for determining whether an employer has created an unlawful impression of surveillance is whether under all the relevant circumstances reasonable employees would assume from the statement in question that their union or protected activities had been placed under surveillance. *Stevens Creek Chrysler*, 353 NLRB 1294, 1295-1296 (2009); *Bridgestone Firestone South Carolina*, 350 NLRB 526, 527 (2007).

When an employer tells employees that it is aware of their union activities but fails to tell them the source of that information, Section 8(a)(1) is violated because employees are left to speculate as to how the employer obtained the information, causing them reasonably to conclude that the information was obtained through employer monitoring. *Stevens Creek Chrysler*, above at 1296; *Conley Trucking*, 349 NLRB 308, 315 (2007).

Here, Pena advised Williams that she was aware that Williams was soliciting employees for a union. I find that such a statement would cause Williams to reasonably conclude that Pena received that information by surveilling her union activities. Inasmuch as Pena did not tell Williams how she received that information, the violation has been proven.

Although Pena testified that she received such information from other employees and a supervisor, such information was not conveyed to Williams, who could reasonably believe that Pena was watching her. I accordingly find that the Respondent violated Section 8(a)(1) of the Act by creating the impression in Williams that her union activity was under surveillance.

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E. The Alleged Interrogation

As set forth above, it is alleged that manager Casolino interrogated two employees, Jones and Stewart, in the parking lot while they were speaking to Union agent Waddy. The evidence establishes that Casolino walked up to the group and asked the two workers what they were doing.

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I credit Waddy's account of the meeting. She gave clear, precise testimony of what happened at that time. The incident report which she completed that day is consistent with her testimony.

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In contrast, the Respondent's witnesses gave different versions of the incident, none of them consistent with each other. Thus, Casolino testified that he approached Waddy alone as he was doing a "random walk" through the parking lot and he, alone, spoke to Waddy. Pena testified that she saw Waddy hand out leaflets and asked Casolino to tell her to stop soliciting in the lot. Security guard Bharat testified that he asked Casolino to accompany him to approach Waddy and that he (Bharat), alone, spoke to Waddy.

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Waddy's testimony is the only consistent account of the incident. In *Rossmore House*, 269 NLRB 1176 (1984), the Board set out its rules concerning evaluation of allegations of interrogation, as follows:

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Under Board law, it is [well-established] that interrogations of employees are not per se unlawful, but must be evaluated under the standard of whether under all the circumstances the interrogation reasonably tended to restrain, coerce, or interfere with rights guaranteed by the Act. In making that determination, the Board considers such factors as the background, the nature of the information sought, the identity of the questioner, the place and method of interrogation, and whether or not the employee being questioned is an open and active union supporter.

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Here, executive team leader Casolino pointedly asked the two employees what they were doing in the parking lot. The question was unnecessary because he knew what they were doing there because he testified that they had just finished their overnight shifts. They were obviously in the parking lot preparing to leave the area, but his questioning them in the presence of Waddy, who he knew was a Union agent, was designed to elicit what they were doing with Waddy at the time. That was clearly an attempt to inquire as to their union activities.

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There was no evidence that the employees questioned were open or active union supporters. I find that the questioning by Casolino tended to restrain, coerce or interfere with their right to engage in union activities. I accordingly find that Casolino's questioning of the two employees constituted unlawful interrogation.

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III. Findings of Fact Concerning the Alleged Unlawful Handbook Rules

A. Paragraphs 7 and 8 of the Complaint and the Handbook Provisions

The complaint alleges that the Respondent has “promulgated and since then has maintained” in its Team Member Handbook revised in July, 2009⁵, and in its Handbook revised in February, 2011⁶ certain unlawful rules concerning solicitation, distribution of literature, release of confidential information, discussion of confidential information, reporting of unauthorized or misuse of confidential information, and threats of discipline for violating its policy on confidential information.

The 2009 Handbook was given to employees upon their hire during their orientation session. The employees signed a receipt that they received and read the Handbook. The 2011 Handbook was made available to employees after the election, but not distributed to the then-employed workers. Instead, they were told that it was available upon their request. The 2009 Handbook was not rescinded upon the issuance of the 2011 version. It was stipulated that the 2009 Handbook was the only handbook applicable to employees from July, 2009 to at least the last week of June, 2011.

1. The Respondent’s Information Security Policies

Under the broad heading of “Information Security”, the Respondent’s Handbook sets forth certain policies concerning employee access to, and use of confidential information. Some of those policies have been alleged as unlawful, as follows.

a. The “Use Technology Appropriately” Policy

Paragraph 7(b) of the complaint alleges as unlawful, the following:

A “Use Technology Appropriately” policy prohibiting its employees from releasing confidential guest, team member, or company information.

The Handbook provides in G.C. 8, p. 54:

Use technology appropriately

Communication technology such as e-mail and the Internet makes us more efficient and better equipped to serve our guests. Be sure to use this technology wisely and appropriately to avoid increasing our risk of a security breach.

If you enjoy blogging or using online social networking sites such as Facebook and YouTube, (otherwise known as Consumer Generated Media, or CGM) please note there are guidelines to follow if you plan to mention Target or your employment with Target in these online vehicles:

⁵ G.C. Exhibit 8.

⁶ G.C. Exhibit 9.

Don't release confidential guest, team member or company information, including any video footage.

Clearly distinguish yourself from Target, so as not to appear as an official Target spokesperson.

5 Do not harass or make any threats to guests or team members.
For complete guideline or more information, please see your HR partner.

Paragraph 7(c) of the complaint alleges as unlawful, the following:

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A "Communicating Confidential Information" policy which:

(1) prohibits its employees from sharing confidential information with other employs;

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(2) directs its employees to talk to their supervisors if they are unsure regarding sharing confidential information; and

(3) prohibits its employees from having discussions regarding confidential information in the break room, at home or in open areas and public places.

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The Handbook provides in G.C. 8, p. 53:

Communicating confidential information

You also need to protect confidential information when you communicate it. Here are some examples of rules you need to follow:

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Make sure someone needs to know. You should never share confidential information with another team member unless they have a need to know the information to do their job. If you need to share confidential information with someone outside the company, confirm there is proper authorization to do so. If you are unsure, talk to your supervisor.

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Develop a healthy suspicion. Don't let anyone trick you into disclosing confidential information., Be suspicious if asked to ignore identification procedures.

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Watch what you say. Don't have conversations regarding confidential information in the Breakroom or in any other open area. Never discuss confidential information at home or in public areas.

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Paragraph 7(d) of the complaint alleges as unlawful, the following:

An Unauthorized access to confidential information policy which:

(1) directs its employees to report unauthorized access to confidential information or misuse of confidential information to Respondent; and

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(2) threatens its employees with corrective action, including termination and criminal prosecution, for a violation of the policy on confidential information.

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The Handbook provides in G.C. 8, p. 53, as follows:

Unauthorized access to confidential information

If you believe there may have been unauthorized access to

confidential information or that confidential information may have been misused, it is your responsibility to report that information by contacting your supervisor (who should send an e-mail to Integrity@Target.com or calling the Employee Relations and Integrity Hotline at 800-541-6838.

We're serious about the appropriate use, storage and communication of confidential information. A violation of Target policies regarding confidential information will result in corrective action, up to and including termination. You also may be subjected to legal action, including criminal prosecution. The company also reserves the right to take any other action it believes is appropriate.

The term "confidential information" is not defined in the Handbook. However, certain examples of "confidential information" are given in the Handbook, pp. 51-52, as follows:

Confidential information

All Target information that is not public must be treated as confidential. Here are some examples of confidential information:

Non-public company information, including:
 Financial information (for example, store sales)
 Strategic plans (for example, pricing and capabilities)
 Marketing plans (for example, circular prices prior to public distribution)
 Guest information, including guest credit information
 Team member personnel records
 Protected health information obtained through our pharmacy operations or medical plans

Annual evaluations of employees by their supervisors are done in April or May. The performance of the employee during the past year is discussed with the worker who is told at that time the amount of any wage increase he will be given. Store manager Pena stated that no directions are given to the supervisors concerning what they should tell the workers they could discuss with others about the review process, but it is her understanding that most employees speak with their co-workers about their wage increases.

In fact, employees testified that they spoke freely and openly with their co-workers about the exact amount of their raise, and how much they believed they deserved.

Employees testified that they knew of no restrictions concerning employees speaking to each other about their wages or benefits, and there was no evidence that any worker was disciplined for having such discussions.

Employees were not told by their supervisors that they should keep the amount of their raises confidential, or that they should not speak with other workers about their raises. On the other hand, employees were not told that they could discuss their wages with their co-workers.

Indeed, Dawn Major, the human resources director for the Respondent's East Coast region stated that the term "confidential information" does not include wages, benefits and other terms of employment, noting that employees are permitted to speak about those items. For example, she stated that it is the Employer's policy to encourage the discussion of wages and benefits at work between the workers and their supervisors. Such opportunities include chat sessions and group meetings at which employees are asked how they feel about their job, and during which, wages and benefits may be discussed. Further, Major testified that the Respondent conducts surveys in which it asks its employees how they feel about their pay and benefits. Individual discussions with the workers concerning their pay are also held.

In this regard, it is important to note that the Respondent encourages its employees to speak with supervisory personnel, not with other workers, concerning their wages and terms of employment.

However Major testified that employee personnel records, including the wages and benefits of the workers, and also their personal health information, medical records, credit card and debt records are confidential information to the extent that if an employee asked a supervisor for another worker's "information" such a disclosure would be prohibited. Major stated that, although that application of the policy is not included in the Handbook, it is enforced to prohibit one employee's learning about the wages and benefits of another through disclosure by a supervisor. Nevertheless, employees may speak about their wages and benefits with their supervisors, who encourage such conversations.

2. The "After Hours" Policy

Paragraph 8(a) of the complaint alleges as unlawful, the following:

An "After-Hours" rule prohibiting its employees from returning to Respondent's premises, which includes non-work areas, during their off hours.

The Handbook provides in G.C. 8, p. 20, and G.C. 9, p. 25, as follows:

After hours

Team members must leave the premises after hours. You should only be on company property during your scheduled work hours or for other authorized company business.

The evidence establishes that employees visit the Valley Stream store regularly when they are not scheduled to work, in order to shop, to meet friends who are about to finish their shifts, to check on a matter in the human resources department, to use a computer there which is set aside for employee use, or for company sponsored activities. Employee Betsy Ann Wilson is unaware of any policy that prohibits workers from entering the store when they are not scheduled to work.

Team leader Lance King stated that he was not aware of any policy stating when he could or could not enter the property when he was off duty, nor was he aware of any rule which stated that he could not be in the parking lot after his work hours. On the other hand, no management person told him that he could return to the Target facility after his work hours.

Employee Green stated that, although she has shopped in the store when she was off duty, she is not permitted to enter the break room while off duty. Nevertheless, she has been in the break room before and after her shift. She also admitted entering the store on her days off to pick up her paycheck or check her schedule. She conceded not being told that she could not enter the store when she was not working. She stated that she was never advised that off duty employees are permitted in the break room.

Human resources official Stone testified that she never told the workers that they were permitted to return to the premises after their shift. Employees also testified that no one told them that they could return to the store when they were not scheduled to work that day, or when their shift was completed.

Dawn Major, the human resources director for the Respondent's East Coast region, who is responsible for 433 stores, testified that the "after hours" policy is not enforced in any of the Employer's stores, adding that employees are frequently in the stores when they are not working, in order to pick up a paycheck, check their schedule, see their friends, or to shop for merchandise. She did not know if employees were told that they were permitted to be in the store after their regular work hours.

There was no evidence that any employee has been disciplined for being in the store when they are off duty or not scheduled to work.

Human resources official Stone testified that between April 1, 2011 and June 17, 2011, 8,125 unit employees used their employee discount benefit to make a purchase of merchandise at the store either before they clocked into work for their shift, after their shift was over, or on a day when they were not scheduled to work.

3. The "No Solicitation No Distribution Rule"

Paragraph 7(a) of the complaint alleges as unlawful, the following:

A no-distribution rule that prohibits its employees from distributing any literature at any time on Respondent's premises, which includes non-work areas.

The Handbook provides, in G.C. 8, pp. 27-28:

Don't distribute flyers, pamphlets or other information to team members.

While you or the team members you're talking to are on work time or in work areas, you must not pass out or distribute any pamphlets or other literature. Also, you must never pass out any literature and/or products, sell merchandise or exchange money on Target premises if these activities are for personal profit, commercial purposes or any charitable organization that is not part of our Community Relations program.⁷

⁷ "Target Premises" is defined under "Common Terms" on page 61 of the Handbook as "all the buildings, grounds, vehicles and parking areas Target uses to conduct its business."

Paragraph 8(b) of the complaint alleges as unlawful the following:

A No Solicitation/No Distribution Policy prohibiting solicitation or distribution of literature by its employees, at all times on Respondent's premises, which includes non-work areas.

The Handbook provides in G.C. 8, p. 44-55, as follows:

No Solicitation/No Distribution Policy

Please follow and help enforce the Target No Solicitation/No Distribution Policy, which states: Target wants to make sure all team members can work free of distraction and uncomfortable pressure that can be created by solicitation and distribution. That's why Target maintains a No Solicitation/No Distribution Policy for all team members and others with authorized access to Target property.

The policy is simple: during working time (yours or your fellow team members) and in work areas, you cannot "solicit" team members. "Soliciting" includes things like asking co-workers to join organizations or pools, to buy memberships or subscriptions, or to make pledges or gifts to charities.

"Working time" does not include meal and break periods, or any other time when a team member is not expected to be engaged in work activities. The "No Distribution" part of the policy requires that team members do not distribute literature during working time, in work areas, or through Target communication channels, including e-mail.

Certain activities are prohibited at all times on Target premises. Soliciting, distributing literature, selling merchandise or conducting monetary transactions, whether through face-to-face encounters, telephone, company mail or e-mail, are always off limits (even during meal and break periods) if they are:

For personal profit

For commercial purposes

For a charitable organization that isn't part of the Target Community Relations program and isn't designed to enhance the company's goodwill and business.

Because Target supports the United Way, Target Volunteers and non-profit grant partners, some of these organizations may be eligible to distribute information or conduct annual drives without violating the No Solicitation/No Distribution Policy; however, Employees relations must approve the activity.

On the day before the election, more than 10 Union organizers and about 3 off-duty employees walked through the store wearing "Target Change" t-shirts, including employee Williams who stated that none of the Union's demonstrators gave any literature to the workers present that day.

Employee Antonia Smaine stated that she saw employee Green, at the end of her shift, change from her work shirt into a "Target Change" t-shirt and then walk around the store wearing that shirt.

5 Executive team leader for human resources Karrien Stone testified that from April, 2011 to June, 2011, she saw two employees wearing a Target Change shirt – one which was worn backwards under the worker's vest while he was working. She did not say anything to the worker wearing the shirt. She noted that no one asked her for permission to wear Union paraphernalia at work, and she did not tell any worker that they could not wear such union garb.

10 Employee Sonia Williams testified that she gave out Union cards and literature in the break room on several occasions to employees who were on their break. She also gave cards to employees in the Target parking lot and left union literature in the bathroom. Union organizers distributed flyers in the lot.

15 Manager Casolino stated that, prior to the election, he saw union literature in the break room and bathrooms.

20 Employee Bracey stated that Pena and supervisor Kevin approached her and employee Tashawna Green when they were distributing leaflets and speaking to employees about the union in the parking lot near the employee entrance. The two managers told them "no soliciting. You have to leave. Oh, no you can't talk to them." Pena denied speaking with Bracey or any other employee in the parking lot regarding soliciting others.

25 Supervisor of asset protection Jason Jones testified that during his tenure at the store from January, 2011 to January, 2012, neither he nor the other guards prohibited any employee from distributing literature in the store or in the parking lot. He observed "literature" in the break room and at the employee entrance to the store.

30 Jones affirmed that Target property, for the purpose of his enforcement of the no-solicitation no-distribution policies includes the Target building itself, its property up to the gate on Sunrise Highway, the parking lot, and the adjacent parking lot across the road near Sunrise Highway.

35 Manager Casolino stated that non-employee solicitors such as the Girl Scouts, people selling candy for school events have been evicted from the store's premises.

40 Tashawna Green testified that on June 9, she stood outside the employee entrance to the store speaking to another employee. She asked the worker how he felt about "everything that has been going on." The co-worker asked Green about union dues and union procedures. She replied that she does not pay union dues. At that point, admitted supervisor Karrien Stone approached her with store security guard Kyle Bennetier. According to Green, Stone said "you are soliciting on Target's property and they do not tolerate (allow that) soliciting on Target's property." Green then left the area and walked to the mall entrance.

45 Stone testified that she was walking past the Target employee entrance when one or two employees complained to her that Green was "blocking" them, "bothering" them, and preventing them from entering the building. Stone asked Bennetier to accompany her. As Stone approached Green she did not notice that Green was with any other employees.

50 Stone then told Green that she could not stand in front of the entrance because she was blocking employees from entering. Stone described Green as being so close to the entrance

door that when she (Stone) opened the door, she hit Green's back. Stone denied telling Green that she could not solicit on the property, and suggested that she could stand at the cart corral nearby.

5 As set forth above, employee Sonia Williams testified that she was asked to report to Pena's office, where she was told "Sonya, I know we're in the midst of a campaign, but it has been brought to my attention that you are soliciting team members for the union."

10 Williams replied that "you know where I stand with the union and if I speak to a team member, I'm speaking to them off the clock." Pena answered that "we're not supposed to do it in Target premises" whereupon Williams asked "in the break room, on my break time?" Pena replied "not on Target's premises." Williams asked "in the parking lot?" Pena said "no." Williams then asked whether she could solicit in the "adjoining parking lot" and Pena said that she would have to research that, but did not contact Williams with the answer. Pena concluded the
15 meeting by asking "are we clear on that?" Williams agreed.

Pena denied that she met with Williams in her office with Stone on April 28, but admitted that she and Stone met with Williams in response to her learning that she had been "soliciting" employees while they were working. Also, Pena had received a report that several employees
20 claimed that they were being "bothered" by her – being asked by her to speak about "something." Pena stated that one of her leaders saw Williams speak to an employee. Pena testified that she told Williams that she could solicit other workers but not while either she or those employees were on the clock. Pena denied telling Williams that she could not solicit on Target's property. Pena acknowledged that Williams asked if she could solicit in the second
25 parking lot, and she replied that she was not certain, but she or Stone would respond to that question.

Stone denied meeting with Pena and Williams on April 28, and similarly denied any meeting in which Williams was told not to solicit on Target's property. She further denied
30 prohibiting any employee from soliciting when they were not on duty.

I credit Williams' testimony that Pena said that she could not solicit on Target's premises. This prompted an admitted response from Pena that she would check to see if solicitation could take place in the Respondent's second parking lot. Clearly, the emphasis of
35 the conversation was on the location of the solicitation, not the work-time of the conversants.

Thus, Williams credibly testified that, in response to Pena's telling her that she could not solicit anywhere on Target premises, she asked whether such activity could take place in the
40 break room or one of the parking lots. Corroborating Williams, Pena admitted that Williams asked if solicitation could take place in the second parking lot and Pena replied that she did not know but would find out.

4. The "Dress Code"

45 Paragraph 8(c) of the complaint alleges, as unlawful, a "dress code" policy prohibiting its employees while at work from wearing any buttons or logos on their clothing unless approved by a team leader.

The Handbook, G.C. 8, p. 21, states, in relevant part:
50 Dress Code.
Don't wear:
Any buttons or logos on your clothing (unless approved by your

team leader).

5 The Handbook also prohibits the wearing of various items of clothing including jeans, tank tops, halter tops, flip flops, open-toed shoes, beat-up tennis shoes, lycra pants, and sheer or revealing clothing.

10 Employees must wear a red shirt and, preferably, khaki colored pants. The shirts that they wear are not provided by Target. Therefore, the workers wear shirts with the manufacturer's logo imprinted thereon, such as "Polo", "Tommy Hilfiger", "Nike", "Ralph Lauren", sports themes, team logos and others. The logos are usually woven into the shirt and do not extend above the shirt's surface. In addition, employees wear pins and buttons including seasonal items such as a tiny Christmas tree, an angel, and insignia and pins advertising their support of people with AIDS or breast cancer.

15 Employee team leader Lance King stated that he was not prohibited from wearing shirts with logos or buttons. However, he was not told that he could wear such logos on his shirts.

20 Manager Casolino stated that he has seen employees wear small logos on their shirts such as a "Nike" emblem, and small pins and badges, noting that as long as they are wearing red and khaki, they can wear those items.

25 Employee Bracey testified that she heard supervisors tell employees that they could not wear any logo on their uniforms, and that if they wore such ornamentation they had to turn it inside out so that it was not visible, or cover it with their identification badge. There was no evidence that any employee was disciplined for wearing a shirt with a logo.

30 Employee Sonia Williams testified that, about one or two weeks before the election, she and other employees were off-duty and not working. They stood outside the store wearing the "Target Change" t-shirt. They then entered the store and spoke with Pena who told them "as long as you don't wear it with your uniform." She also told them that they could wear those shirts outside the store but not inside the store.

35 During the campaign, employees wore, while working, a red, rubber bracelet with a union logo. Pena conceded seeing employees wearing the Union bracelet and the Target Change shirt in the store during their off hours, and denied telling Williams or any other worker that they could not wear union garments with logos. She conceded that no one asked for permission to wear union items.

40 On the other hand, employees were not told that they were permitted to wear union buttons or logos at work. Similarly, human resources official Stone testified that she did not tell any workers that they were permitted to wear union logos or buttons at work.

45 Human resource director Major testified that the dress code is not strictly enforced at the store. She stated that upon her visits to the store she heard from her team that "there's flexibility in our dress code guidelines." Specifically, she noted that the Respondent permits employees to wear pins supporting breast cancer awareness, and other similar causes "that are important to them" as long as the pin is not too large, or offensive or vulgar, and does not interfere with the employee's name badge or with the person being identified as a team member. Major said that the Respondent permits logos, such as "Ralph Lauren" or other designer emblems on shirts as long as the logo is not offensive and the shirt is red.

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Major was unaware of any instance in any store in which an employee was told not to wear a union logo, or was disciplined for wearing one. She stated that she was not aware that any employee requested permission to wear union items in the store, although she is aware that certain union items have been worn. She further stated that she did not know whether employees were told that they were permitted to wear union buttons or other union logos.

5. The "Parking Lot" Policy

Paragraph 8(d) of the complaint alleges, as unlawful, "a parking policy directing its employees to report anyone they do not know that is loitering in Respondent's parking lot."

The Handbook, G.C. 8, p. 21, states, in relevant part:

Parking

Park in the area of the lot for team members.

Always lock your car.

Use the "buddy system" or walk in pairs when you leave at night.

It'll make leaving safer.

After the store closes, you may be asked to move your car closer to the store for safety.

If you see people you don't know loitering around the team member parking area, notify Assets Protection or your leader on duty immediately.

(Target is not responsible if your car is damaged or stolen while in the parking lot.)

Supervisor of asset protection Jason Jones stated that during his tenure at the store, there was a fire in a dumpster, bomb threats, disputes among customers in the lot concerning parking spots, vehicle crashes, break ins of cars, and propane tanks being left in the lot. He did not know whether any of these incidents were caused by employees. Manager Casolino stated that there have been stabbings and beatings, however, he never heard that any store employees were involved in those incidents.

The Respondent's official Major conceded that with about 200 employees, some workers may not know each other, particularly since they work during various shifts, and some work overnight and some during the day.

Supervisor of asset protection Jason Jones stated that off-duty employees are permitted in the parking lot at all times, and that there are no restrictions regarding whether an off-duty employee can enter the store.

Casolino stated that if the store was closed and employees are not scheduled to work, they cannot be in the store. He noted that employees are permitted in the store parking lot at any time.

IV. Analysis and Discussion Concerning the Alleged Unlawful Handbook Rules

The Board's standard in evaluating work rules is set forth in *Lutheran Heritage Village-Livonia*, 343 NLRB 646, 646 (2004):

The Board has held that an employer violates section 8(a)(1) when it maintains a work rule that reasonably tends to chill

employees in the exercise of their Section 7 rights. *Lafayette Park Hotel*, 326 NLRB 824, 825 (1998). In determining whether a challenged rule is unlawful the Board must, however, give the rule a reasonable reading. It must refrain from reading particular phrases in isolation and it must not presume improper interference with employee rights. Consistent with the foregoing, our inquiry into whether the maintenance of a challenged rule is unlawful begins with the issue of whether the rule explicitly restricts activities protected by Section 7. If it does, we will find the rule unlawful.

If the rule does not explicitly restrict activity protected by Section 7, the violation is dependent upon a showing of one of the following: (1) employees would reasonably construe the language to prohibit Section 7 activity; (2) the rule was promulgated in response to union activity; or (3) the rule has been applied to restrict the exercise of Section 7 rights.

The complaint alleges that the Respondent has promulgated and since then has maintained in its 2009 Team Member Handbook, and in its 2011 Handbook certain unlawful rules concerning solicitation, distribution of literature, release of confidential information, discussion of confidential information, reporting of unauthorized or misuse of confidential information, an after-hours policy, a dress code policy, a parking lot policy, and threats of discipline for violating its policy on confidential information.

The 2009 Handbook was given to employees at their hire during their orientation session for which employees signed a receipt. The 2011 Handbook was made available to employees after the election, but not distributed to the then-employed workers. Instead, they were told that it was available upon their request. The 2009 Handbook was not rescinded upon the issuance of the 2011 version.

It was stipulated that the 2009 Handbook was the only handbook applicable to employees from July, 2009 to at least the last week of June, 2011.

A. The Information Security Policies

The complaint alleges that the Information Security rules broadly prohibit employees from releasing confidential guest, team member, or company information, sharing confidential information with other employees, directs them to ask their supervisors if they are unsure regarding sharing confidential information, and prohibits its employees from speaking about confidential information in the break room, at home or in open areas and public places, directs its employees to report unauthorized access or misuse of such information to the Respondent and threatens them with discipline and criminal prosecution if they violate that policy.

The General Counsel alleges that these prohibitions necessarily restrict employees from sharing with other workers information regarding their wages, hours, and other terms and conditions of employment.

“Confidential information” is defined in the Handbook as including all Target information that is not public, including employee “personnel records.” The Respondent argues that “personnel records” do not include such information as employee wages and benefits. However, the term “confidential information” is broadly defined as any information that is not public. Clearly, employees’ wages and benefits are not made public. Accordingly, they constitute

confidential information which is subject to the Handbook's rules on maintaining their confidentiality.

As such, according to the rule, employees are prohibited from sharing such information as to their wages and benefits with other workers. The Handbook provides that employees are prohibited from releasing confidential information and sharing such information with another worker "unless they have a need to know the information to do their job," and they cannot discuss confidential information at home or in public areas.

It is without dispute that employees have a Section 7 right to discuss their wages, hours and working conditions with their colleagues. In *Cintas Corp.*, 344 NLRB 943, 943, 946 (2005), enf. 482 F.3d 463, 467 (D.C. Cir. 2007), the Board found that an employer violated the Act by broadly stating that it "recognizes and protects the confidentiality of any information concerning" its employees and that unauthorized release of confidential information could subject the employee to disciplinary action. The Board found that prohibiting the release of "any information" regarding its employees "could be reasonably construed by employees to restrict discussion of wages and other terms and conditions of employment with their fellow employees and with the union."

Applying the Respondent's rule above, I find that the Information Security rules explicitly restrict activities protected by Section 7 of the Act. The discussion of an employee's wages, hours and working conditions is protected by the Act. By prohibiting their discussion, the Respondent explicitly restricted that right. In addition, I find that employees would reasonably construe the language to prohibit Section 7 activity. I further find that Respondent's ambiguous rule prohibits the dissemination of "personnel information and documents" and because Respondent does not clarify the term, Respondent's rule reasonably tends to chill protected activity.

By including the wording "personnel information" in the listing of confidential documents, Respondent leaves to employees the task of determining what entails "personnel information" and requires them to speculate as to what kind of information disclosure may trigger their discipline. Accordingly, I find that the rule is overly broad and has language that employees may reasonably construe as restricting the exercise of their Section 7 rights.

The cases cited by the Respondent, *Lafayette Park Hotel*, 326 NLRB 824, 825 (1989), and *Super K-Mart*, 330 NLRB 263 (1999), are easily distinguishable. In both cases, the employers prohibited exclusively company documents from disclosure – "hotel-private information" and "company business and documents." The Board found that an employee could not reasonably construe the prohibition to include discussions about wages, hours and working conditions, since neither prohibition specifically implicated employee information. The court in *Cintas* specifically noted that the employer's rule "did not by its terms include employee wages or working conditions and made no reference to employee information." 482 F.3rd at 470.

Here, in contrast, the Handbook specifically prohibits the disclosure of employee-related information - "confidential ... team member information" and defines confidential information as anything that is not public, including "team member personnel records." Certainly, wages and benefits are not public information, and accordingly, an employee would reasonably construe the rule as prohibiting discussion of employee related wages, hours and terms and conditions of employment.

The Respondent argues that it is only "personnel records" and not personnel "information" that is prohibited from disclosure. I do not see the distinction. By definition,

personnel records must necessarily include personnel information.

In *IRIS U.S.A.*, 336 NLRB 1013 (2001), the Board dealt with confidentiality language that was similar to that found in the instant case. Specifically, in *IRIS*, the employer prohibited disclosure of confidential information including financial information, leases, licenses, agreements, sales figures, business plans, and proprietary information. As with the confidentiality language in the instant case, it was apparent that the employer sought to prevent the disclosure of information that might give unfair advantage to competitors or adversely affect its ability to compete in its industry. But, as here, the employer also included “personnel records” as confidential and limited their disclosure only to the named employee and senior management. In determining whether the employer’s confidentiality rule was lawful, the judge noted that “personnel records” contain various kinds of information about employees; including their wages. The Board found that the employer violated Section 8(a)(1) by maintaining that confidentiality provision. 336 NLRB at 1014 fn. 1.

I accordingly find and conclude that employees would reasonably construe the language of the rule to prohibit Section 7 activity, speaking to their co-workers about their wages and terms and conditions of employment. I accordingly find and conclude that the maintenance of the “after hours” would reasonably tend to chill employees in the exercise of their Section 7 rights.

I further find that, inasmuch as the rule directs its employees to report unauthorized access to confidential information or misuse of confidential information to the Respondent, and threatens its employees with corrective action, including termination and criminal prosecution, for a violation of the policy on confidential information, such part of the rule violates the Act by threatening employees for violating an unlawful rule.

The Respondent cites *Security Walls, LLC*, 356 NLRB No. 87 (2011) for the proposition that a confidentiality provision precluding the copying or disclosing of information in, among other documents, the payroll or personnel records of employees was lawful. It must be noted, however, that in finding no violation in the provision, the Board observed that no exceptions were taken to the judge’s decision. 356 NLRB No. 87, at fn. 1.

B. The No Solicitation – No Distribution Policy

The allegedly improper Handbook rule provides that employees are prohibited at all times on Target premises from soliciting and distributing literature if these activities are for personal profit, commercial purposes or any charitable organization that is not part of the Respondent’s Community Relations program.

The Handbook defines “Target premises” as including all buildings, grounds and parking areas Target uses to conduct its business.

The General Counsel argues, and I agree, that the above rule broadly prohibits the distribution of literature anywhere on Target property if such an activity is for “commercial purposes.”

An employer may lawfully impose some restrictions on employees’ statutory rights to engage in union solicitation and distribution. Such restrictions, however, must be clearly limited in scope so as not to interfere with employees’ right to solicit their coworkers on their own time or to distribute literature on their own time in non-work areas. *Republic Aviation Corp. v. NLRB*, 324 U.S. 793 (1945); *Our Way, Inc.*, 268 NLRB 394 (1983); *Stoddard-Quirk Mfg. Co.*, 138 NLRB

615, 621 (1962).

On its face, the Respondent's rule prohibits solicitation and distribution on its premises at any time on its premises. Such a rule violates the principles in *Republic Aviation* which establishes that employees have the right to distribute items on their own time in non-work areas.

The rule prohibits such distribution if it is for a "commercial purpose...." The General Counsel argues, and I find, that there is ample evidence in the record to support a finding that the Respondent regarded the Union as a "business" and communicated that understanding to its employees. Thus, at the first meeting at which the video "Think Hard Protect Your Signature" was shown to the employees, store manager Pena testified that the script that she read to the employees portrayed the Union as a business, and an actor in the video states that "a union is a business. And like any other business, it has to bring in money to survive. But it doesn't have any products to sell. Instead, it sells memberships. The more memberships it sells, the bigger the business." The Respondent's flyer, signed by Pena, states that "like any other failing business the union needs to increase revenue to stay in business. Taking dues from new members is the only way for them to get more money."

Williams stated that Pena told her three or four times that there was "no soliciting on the premises." Williams further testified that when she gave out flyers in the break room during her break, her supervisor Peta Chen told her "you can't distribute those in here. No soliciting." Williams protested that she was on her break, and Chen replied "I don't care; you can't pass anything out in the break room or on the premises." Bracey also handed out a flyer in the break room and Chen told her "you can't do that in the break room. Stop handing out stuff in the break room." Bracey also stated that when she was in the parking lot with other employees and Union agents, Pena approached and said "no soliciting. Not even in the parking lot. Get away from here. You can't be there."⁸

I further find that the Respondent enforced its unlawful rule when, on June 9, Respondent's official Stone told employee Green that she could not solicit on Target's property. At the time, Green was outside the employee entrance and was off duty. Green credibly testified that she spoke to one other employee outside the store about the union. At the time, Green was a known union advocate. It would make no sense for Green to bother or block employees from entering, as Stone testified, when she was attempting to interest them in the Union. Nor would it make sense for Green to stand in a place where she would be subjected to being hit by the door.

I also credit Williams' testimony that Pena said that she could not solicit on Target's premises. This prompted an admitted response from Pena that she would check to see if solicitation could take place in the Respondent's second parking lot. Clearly, the emphasis of the conversation was on the location of the solicitation, not the work-time of the conversants.

Thus, Williams credibly testified that, in response to Pena's telling her that she could not solicit anywhere on Target premises, she asked whether such activity could take place in the break room or one of the parking lots. Corroborating Williams, Pena admitted that Williams asked if solicitation could take place in the second parking lot and Pena replied that she did not

⁸ Bracey conceded that her pre-trial affidavit did not mention that she was prevented from distributing literature in the break room. She testified that the Board agent did not ask her whether she was prohibited from doing so.

know but would find out. I accordingly find and conclude that Pena's advice to Williams that solicitation was not permitted on the Respondent's property violated the Act.

The Respondent's reliance on *Register-Guard*, 351 NLRB 1110 (2007) is misplaced. In that case, the Board held that employees do not have a statutory right to use the employer's e-mail system for Section 7 purposes. The Board stated that "an employer may draw a line between charitable solicitations, between solicitations of a personal nature—and solicitations for the commercial sale of a product—and between business-related use and non-business related use." 351 at 1118. Therefore, an employer's policy prohibiting the use of a system for "non-job related" purposes would not by itself violate Section 8(a)(1) of the Act. *Register-Guard* involved the disparate enforcement, not the maintenance, of an allegedly unlawful rule. The Respondent argues that if an employer may permissibly disparately enforce such a rule it may also validly maintain such a rule.

However, in *Register-Guard* the Board noted that employees had the full right to engage in oral solicitation and distribution pursuant to *Republic Aviation*. As set forth above, here they did not have that right. The question in *Register-Guard*, not present here, was whether the employer could prohibit employees' use of company equipment to engage in modern forms of communication.

In addition, there is no evidence that the rule here was actually communicated to employees in such a way as to convey intent clearly to permit solicitation in nonworking areas when employees were not actively at work. Accordingly, the rule at issue here is overly broad and discriminatory on its face.

Under the standard set forth in *Lutheran Heritage*, I find that the rule explicitly restricts activity protected by Section 7 of the Act. The distribution of union literature is protected by Section 7, and the rule impermissibly prohibits such distribution at all times on its premises. In addition, I find that employees would reasonably construe the rule to prohibit Section 7 activity. Thus, by labeling the Union a "business" engaged in "sell[ing] memberships," employees would reasonably believe that the rule prohibits the "commercial purpose" of selling memberships in the union by the solicitation of membership and the distribution of literature on its premises. Accordingly, I find and conclude that this rule violates Section 8(a)(1) of the Act.

I further find that employees would reasonably construe the language of the rule to prohibit Section 7 activity. I accordingly find and conclude that the maintenance of the rule would reasonably tend to chill employees in the exercise of their Section 7 rights.

I further find that by showing its employees a video in which it was stated that "you can rely on us to enforce all solicitation, distribution, and harassment policies" the Respondent affirmed its intent to unlawfully enforce the impermissible no-solicitation, no-distribution rules alleged in the complaint.

C. The "After Hours" Policy

The Handbook rule provides that "team members must leave the premises after hours. You should only be on company property during your scheduled work hours or for other authorized company business."

In *TeleTech Holdings, Inc.*, 333 NLRB 402 (2001), the Board found that a rule prohibiting "unauthorized presence on the premises while off duty" violated the Act. It stated that "a no-access rule for off-duty employees is valid only if it limits their access solely with respect to the

interior of the plant premises and other working areas; it is clearly disseminated to all employees; and it applies to off-duty employees seeking access to the plant for any purpose and not just those employees engaging in union activity. In addition, a rule denying off-duty employees access to parking lots, gates, and other outside nonworking areas is invalid unless sufficiently justified by business reasons.” *Tri-County Medical Center*, 222 NLRB 1089 (1976).

Similarly, in *Lafayette Park Hotel*, above at 828, the Board found that a rule requiring employees to leave the premises immediately after the completion of their shift, and not return until their next scheduled shift, violated the Act.

The Respondent’s rule broadly prohibits employees from being on its premises, which has been defined as its building, grounds and parking lots, during their non-scheduled work hours or for other authorized company business. It does not limit access to the interior of the store as required by *Tele Tech*, above.

There was testimony that there have been various incidents, including crimes, committed in the parking lot, but there was no evidence that any employees were involved in such incidents. Accordingly, the Respondent has not established any business reason for excluding employees from being in its parking lot during their off hours.

There was evidence that large numbers of employees routinely return to the store after their work hours to shop, to engage in company functions, to pick up a pay check or visit the human resources department. However, those instances where employees return to the store after their work hours are consistent with the rule that permits them to be on the premises for “authorized company business.”

The rule clearly would prohibit employee visits to the store’s parking lot to solicit co-workers for membership in the Union, or to distribute literature in its behalf. Indeed, there was evidence that employees who were not on work time engaged in such solicitation and distribution in the parking lot.

The Respondent argues that the rule has not been enforced, citing testimony that employees have engaged in solicitation and distribution in the parking lot while off duty. However, although employees have engaged in such activities, nevertheless, the rule has been maintained. I find that employees would reasonably construe the language of the rule to prohibit Section 7 activity. I accordingly find and conclude that the maintenance of the “after hours” would reasonably tend to chill employees in the exercise of their Section 7 rights.

The Respondent cites its “visitors” rule as evidence that its “after hours” rule is lawful. The “visitors” rule provides, in part, that “if you are not scheduled to work, please do not visit the non-public areas of the store except for authorized company business such as picking up your paycheck.”

I find that, inasmuch as the “visitors” rule permits off-duty employees to return to the non-public parts of the store for authorized company business, it is essentially the same rule as the “after hours” rule. However, although the “visitors” rule permits visits to the non-public areas of the store, it is silent as to the public areas, including the parking lot. In contrast, the “after-hours” rule requires employees to leave the “premises” after their work shift, and permits access to the premises only during authorized company business. Thus, as stated above, the “after hours” rule prohibits employees from being in the parking lot at times other than their working hours or when they are engaged in authorized company business. Such a rule restricts the right of employees to engage in union activities in the parking lot while they are off duty.

I find that employees would reasonably construe the language of the rule to prohibit Section 7 activity. I accordingly find and conclude that the maintenance of the rule would reasonably tend to chill employees in the exercise of their Section 7 rights.

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D. The “Parking Lot” Policy

I agree with the Respondent that the Parking Lot policy is clearly intended to ensure the safety of the employees in the store’s parking lot. The rule provides, inter alia, that employees should lock their car, and use the “buddy system.”

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However, it also provides that if the employee sees people he does not know “loitering” around the parking lot, the worker should notify a security guard or a supervisor immediately.

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Although the rule is not primarily intended to limit employee access to the Respondent’s non-work areas, it has that effect and it has been maintained. In *Lutheran Heritage*, above, at fn. 16, the Board found that the respondent’s “loitering rule” violated the Act since “employees could reasonably interpret the rule to prohibit them from lingering on the respondent’s premises after the end of a shift in order to engage in Sec. 7 activities, such as the discussion of workplace concerns.”

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Here, although the rule does not specifically prohibit “employees” from loitering, it provides broadly that the worker should report anyone who he does not know who he sees loitering in the lot. As set forth above, the fact that there are over 200 employees working in the store with round the clock shifts, it is possible that not all the workers know each other. According to the rule, an employee is required to report anyone, even a fellow worker who he does not know, who is loitering in the parking lot.

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I further find that the requirement that employees report to the asset protection department or to their supervisor anyone who they do not know who is loitering in the parking lot, violates the Act because it requires the workers to inform the Respondent of anyone who might be engaging in union activities in the lot.

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E. The “Dress Code” Policy

The Respondent’s dress code policy prohibits its employees from wearing various items of clothing and “any buttons or logos on your clothing (unless approved by your team leader).”

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In *Republic Aviation*, above, the Supreme Court held that employees have a protected right to wear union buttons at work. This right has been extended to articles of clothing. *Medco Health Solutions of Las Vegas, Inc.*, 357 NLRB No. 25, slip op. at 10 (2011). This right is balanced against the employer’s right to maintain order, productivity and discipline. The Board has struck this balance by permitting employers to prohibit employees from wearing union insignia where “special circumstances” exist. 324 U.S. at 797-798. See *Sam’s Club*, 349 NLRB 1007, 1010 (2007). “The Board has found special circumstances justifying the proscription of union insignia when its display may jeopardize employee safety, damage machinery or products, exacerbate employee dissention, or unreasonably interfere with a public image which the employer has established as part of its business plan, through appearance rules for its employees.” *United Parcel Service*, 312 NLRB 596, 597 (1993). A rule based upon special circumstances must be narrowly drawn to restrict the wearing of union insignia only in areas or under circumstances which justify the rule. *Sunland Construction Co.*, 307 NLRB 1036 (1992). Customer exposure to insignia is not, by itself, a special circumstance, nor is the requirement that an employee wear a uniform. *United Parcel Service*, above.

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The Respondent argues in its brief that because its established brand is “red and khaki” which permits the employee to be identified as a team member, any button or logo which detracts from that identification unreasonably interferes with its carefully crafted public image and business plan of “red and khaki.” In *Stabilus, Inc.*, 355 NLRB No. 161 (2010), the Board stated that “an employer cannot avoid the “special circumstances” test simply by requiring its employees to wear uniforms or other designated clothing, thereby precluding the wearing of clothing bearing union insignia. The same would apply here. The ban on wearing union insignia is complete and not limited to areas which would justify the rule. For example, the rule also applies to the overnight employees who work when the store is closed to the public.

I find that the prohibition of all buttons or logos does not unreasonably interfere with the Respondent’s public image, particularly since the Respondent has permitted employees to wear pins and buttons of all kinds, including health-related and holiday appropriate pins. There has been no showing that the wearing of any insignia would interfere with the Respondent’s “red and khaki brand.”

In its brief, the Respondent asserts that it has demonstrated the ‘special circumstances’ permitting the prohibition of buttons or logos because “the display of any button or logo, not just limited to union support, unreasonably interferes with Target’s carefully crafted public image and business plan of ‘red and khaki.’” Nevertheless, there is ample evidence that employees routinely wear pins showing their support for health-related causes, or in celebration of holidays, on their uniforms.

The wearing of union insignia is protected by Section 7, and the Respondent’s rule impermissibly prohibits the wearing of any buttons or logos at all times on its premises. Under the standard set forth in *Lutheran Heritage*, I find that employees would reasonably construe the language of the rule to prohibit Section 7 activity. I accordingly find and conclude that the maintenance of the rule would reasonably tend to chill employees in the exercise of their Section 7 rights. I accordingly find that this rule violates Section 8(a)(1) of the Act.

The fact that employees, according to the rule, had to obtain their supervisor’s approval, is contrary to the freedom accorded to workers pursuant to *Republic Aviation*, above. As the Board pointed out in *Brunswick Corp.*, 282 NLRB 794, 795 (1987), any rule that requires employees to secure permission from their employer as a precondition to engaging in protected concerted activity on an employee’s free time and in non-work areas is unlawful.

F. The Respondent’s Defenses to the Handbook Rules

In its brief, the Respondent argues that the Handbook rules were not known to the employees, and it is “highly unlikely that employees have ever seen these policies in writing” and thus it was as if they “did not exist.” I cannot agree. Each employee signed an “orientation completion form” upon the completion of the orientation program which stated that the worker “received and read” the Handbook. Further, the Handbook states that the employee should use it “as a guide to find out about your training, pay, schedule and time off, as well as company policies, guidelines and expectations.” In addition, supervisors and officials Bharat, Casolino, Jones, Major, and Pena all testified that the no-solicitation no-distribution rules were in effect, and stated their understanding of those rules.

The Respondent first argues that the rules set forth in the Handbooks are lawful. It contends, further, that even if the rules are unlawful, they have not been enforced. In answer to

the complaint's allegations that the mere maintenance of the rules, even without evidence that they were enforced, violates the Act, the Respondent asserts that maintenance of an unlawful rule does not constitute a violation of the Act.

5 I do not agree. As set forth above, the rules discussed above are invalid because they reasonably tend to chill employees in the exercise of their Section 7 rights, and employees would reasonably construe their language to prohibit Section 7 activity. *Lutheran Heritage*, above.

10 The Respondent further argues that the rules were not enforced, or were loosely enforced, blaming its "poor leadership" at the store. The Respondent's officials and supervisors testified that the Handbook rules were "loosely enforced" or not enforced at all. For example, executive team leader Stone stated that her job is to enforce the Employer's policies, however she noted that the Handbook served as a "loose guide" or "template" to the Employer's policies.
15 Similarly, executive team leader Michael Casolino stated that it is his job to "loosely enforce" the Handbook's guidelines, which are not followed "line by line."

20 However, Casolino conceded that he was not instructed in writing or orally by Pena to loosely enforce the guidelines, or not to enforce the dress code, and he was not aware of any changes to the Handbook's policies as written. He similarly did not issue anything in writing to the workers advising that the Handbook's rules were only loosely enforced.

25 The Respondent's human resources official Dawn Major denied that some policies are not enforced. She stated that the administration looks at each situation to determine the facts and the course of action required on a case-by-case basis, stating that the guidelines are just guidelines. Major was not aware of any of the rules in the Handbook being changed or rescinded prior to the election. Pena testified that the Respondent's headquarters did not tell her not to follow the Handbook's policies, adding that "we just don't enforce every single policy maybe as well as we should have."

30 The Respondent argues that the rules were not enforced, relying on testimony in which employees solicited other workers to join the union, distributed union literature, freely discussed their wages with each other, returned to the facility when they were not on duty in order to shop and perform other activities, and wore pins, shirts with logos and union bracelets in apparent
35 violation of the dress code. The Respondent argues that this evidence excuses it from a finding of violation for maintaining unlawful rules.⁹

40 Despite such testimony of "loose enforcement" of the rules, there was evidence that the rules were, indeed, enforced. Thus, at one of the Employer meetings, an actor in the video shown to employees stated that "you can rely on us to enforce all solicitation, distribution, and harassment policies." Further, Handbook, page 44, asks employees to "please follow and help enforce the Target No Solicitation/No Distribution Policy." In addition, asset protection supervisor Jones stated that it is his job to enforce the Employer's no-solicitation no-distribution
45 policies in the Target building itself, its property and parking lots.

Further, as set forth above, I have credited employees Green and Williams' testimony that they were told that they could not solicit on Target's property. Accordingly, I find that the

50 ⁹ The Union's request that I reconsider my ruling permitting the Respondent to adduce evidence that employees engaged in union activities in apparent contravention of the rules, including my receipt in evidence of union campaign literature, is denied.

rules against solicitation and distribution were, in fact, enforced.

However, even if the rules were not enforced, the Respondent remains responsible for their maintenance. A rule is unlawful even if not enforced. *Radisson Place Minneapolis*, 307 NLRB 94, 94 (1992). The D.C. Circuit in *Cintas*, above, dealt with the arguments that the Respondent raises, finding that even though there was no evidence that any employee actually interpreted the rules to prohibit their lawful discussion of Section 7 matters, “no such evidence is required to support the Board’s conclusion that the rule is overly broad and thus unlawful. The Board is merely required to determine whether employees would reasonably construe the [disputed] language to prohibit Section 7 activity.” The court also answered the employer’s argument that it never applied the rules in the manner asserted by the union. It stated that “the mere maintenance of a rule likely to chill Section 7 activity, whether explicitly or through reasonable interpretation, can amount to an unfair labor practice ‘even absent evidence of enforcement.’ If the Board concludes that employees would reasonably construe the company’s confidentiality language to restrict discussion of their wages and other terms and conditions of employment with each other, the Board is under no obligation to consider whether the disputed restriction has ever been enforced against employees exercising their section 7 rights.” 482 F.3d at 467-468.

There is no evidence that any employee has been disciplined for acting in contravention of these rules. However, there is also no evidence that the rules have been rescinded, that store management has been given permission to loosely enforce or not enforce those rules, or that the workers have been told that they are not bound by those rules. Accordingly, the rules remain in effect and have been maintained. As alleged in the complaint, the maintenance of the rules violates the Act even if they have not been enforced.

III. The Representation Case

A. The Objections to the Election

1. Relevant Principles

When an objection is filed asserting that the “laboratory conditions” of an election were violated by a party to an election, the decisional standard is whether “the conduct reasonably tends to interfere with the employees’ free and uncoerced choice in the election. *Baja’s Place, Inc.*, 268 NLRB 868, 868 (1984). As the objecting party, the union has the burden of proving interference with the election. See *Jensen Pre-Cast*, 290 NLRB 547 (1988). The test, an objective one, is whether the employer’s conduct has the tendency to interfere with the employees’ freedom of choice. See *Taylor Wharton Division*, 336 NLRB 157, 158 (2001).

2. Conclusions as to the Representation Case

The Report on Objections directed that the following objections, set forth in Objections Nos. 1(a) through (e); 1(g), 5, 8, 9, 10, 12, and 13 be merged with the complaint. They include the Respondent’s access policy; the dress code policy; the no distribution no solicitation policy; the information security policy and the social media policy which prohibit the discussion by employees of their terms and conditions of employment with others; the rule which requires employees to report co-workers’ union activity; threats of unspecified reprisals; creation of the impression of surveillance; the announcement and enforcement of an overly broad no solicitation policy; interrogation of employees; and threats to close the store.

In *Dal-Tex Optical Co.*, above, the Board held that Section 8(a)(1) conduct occurring

during the critical period is “a fortiori, conduct which interferes with the exercise of a free and untrammelled choice in an election.” However, the Board noted that an exception to that rule does not require the setting aside of an election where the “conduct is so minimal or isolated that it is virtually impossible to conclude that the misconduct could have affected the election results.”

The Respondent, citing *Longs Drug Stores California*, 347 NLRB 500, 501(2006), and *Delta Brands, Inc.*, 344 NLRB 252, 253 (2005), argues that the election should not be set aside even if the Handbook’s confidentiality rules are found to be unfair labor practices.

In *Longs*, the Board held that the maintenance of a handbook provision that considered employee wage rates to be confidential information which must not be disclosed, violated Section 8(a)(1) of the Act. The Board nevertheless did not find that the election’s results should be overturned. In refusing to overrule the election results, the Board stated that the confidentiality provisions were not adopted in response to the union’s organizing campaign, the handbook at issue was only distributed to five unit employees, there was no evidence that the employer called employees’ attention to other confidentiality provisions in the handbook, and there was no evidence that those provisions were ever enforced. Rather, there was evidence that employees openly discussed wages and other terms and conditions of employment during the critical period, and the election was lost by a wide margin. The Board concluded that it was impossible to conclude that the confidentiality provisions could have had an effect on the results of the election.

Similarly, in *Delta Brands* and *Safeway, Inc.*, 338 NLRB 525 (2002), the Board held that the mere maintenance of an invalid rule was not sufficient to overturn the election results.

However, in *Jurys Boston Hotel*, 356 NLRB No. 114 (2011), a representation case, the Board held that “the mere maintenance of an overbroad rule can affect the election results because employees could reasonably construe the provision as a directive from their employer that they refrain from engaging in permissible Section 7 activity.” *Pacific Beach Hotel*, 342 NLRB 372, 373-374 (2004) (setting aside election, based on a handbook policy prohibiting solicitation on company property), citing *Freund Baking*, 336 NLRB 847 fn. 5 (2001). The Board noted, in *Jurys Boston*, that, neither in *Delta Brands* or in *Safeway*, did the Board hold that objecting parties in all cases must prove that an objectively overbroad rule was enforced or that it actually deterred employees from engaging in Section 7 activity.” *S.T.A.R., Inc.*, 347 NLRB 82, 84 fn. 7 (2006).

In *Jurys Boston*, the Board found that three of the Employer’s handbook rules - no solicitation or distribution on hotel property, the prohibition against being in an unauthorized area and/or loitering inside or around the hotel without permission, and the rule prohibiting the wearing of emblems, badges, and buttons—were objectionable since they reasonably tended to interfere with employee free choice. The Board held that those rules had a reasonable tendency to chill or otherwise interfere with the prounion campaign activities of employees during the election period, and could reasonably be construed by employees as precluding them from communicating with each other about the Union and their wages, hours, and other terms and conditions of employment at their workplace, “the one place where [employees] clearly share common interests and where they traditionally seek to persuade fellow workers in matters affecting their union organizational life and other matters related to their status as employees.” *Eastex, Inc. v. NLRB*, 437 U.S. 556, 574 (1978), quoting *Gale Products*, 142 NLRB 1246, 1249 (1963).

In answer to the Respondent's argument that in *Jurys Boston* the union lost the election by only one vote, and that here the Union lost the election by a wide margin, the Board noted in *Freund Baking*, fn. 5, above, that although the margin of victory in that case was substantial, "the objectionable conduct affected all the employees in the unit because the employer required each employee to receive and review a handbook. In these circumstances, we find that the employer's objectionable conduct may have directly accounted for the petitioner's margin of defeat. In any event, the Board has consistently held that whether an election should be invalidated based on alleged misconduct does not turn on election results but rather upon an analysis of the character and circumstances of the alleged objectionable conduct."

As set forth above, In the video shown to employees, the Employer stated that it would enforce its no-solicitation no-distribution rules, and such rules were enforced against employees Green and Williams. Even assuming that the Handbook rules were not enforced, nevertheless, they were maintained, they were not rescinded, and employees, who certified that they received and read the Handbook, were not told that they were not bound by them.

In addition, the objectionable conduct was disseminated to the entire bargaining unit by the distribution to all employees upon their hire the Handbook containing the unlawful rules, the advice in the Handbook that they "follow and help enforce the Target No Solicitation/No Distribution Policy," and by the video that they were shown which warned employees that "you can rely on us to enforce all solicitation, distribution, and harassment policies."

Inasmuch as I have found that all the objectionable conduct set forth above constitute unfair labor practices, I recommend that those objections be sustained. *Dal-Tex Optical Co.*, 137 NLRB 1782, 1786-1787 (1962), I will therefore recommend that the election held on June 17 be set aside, and that the representation proceeding be remanded to the Regional Director for the purpose of conducting a second election.

Conclusions of Law

1. By, in its Team Member Handbook, revised in July, 2009, promulgating and since then maintaining the following rules, the Respondent has violated Section 8(a)(1) of the Act:

a. In its Team member Handbook, revised in July, 2009, by promulgating and since then maintaining, the following rules:

i. A no-distribution rule that prohibits its employees from distributing any literature at any time on Respondent's premises, which includes non-work areas;

ii. A "Use technology Appropriately" policy prohibiting its employees from releasing confidential guest, team member, or company information;

iii. A. "Communicating Confidential Information" policy which prohibits its employees from sharing confidential information with other employees; directs its employees to talk to their supervisors if they are unsure regarding sharing confidential information; and prohibits its employees from having discussions regarding confidential information in the breakroom, at home or in open areas and public places.

b. An "Unauthorized access to confidential information" policy which directs its employees to report unauthorized access to confidential information or misuse of confidential information to the Respondent; and threatens its employees with corrective action, including

termination and criminal prosecution, for a violation of the policy on confidential information.

2. By, in its Team Member Handbook, revised in July, 2009 and February, 2011, promulgating and since then maintaining the following rules, the Respondent has violated Section 8(a)(1) of the Act:

a. An "After Hours" rule prohibiting its employees from returning to its premises, which includes non-work areas, during their off hours.

b. A No Solicitation/No Distribution Policy prohibiting solicitation or distribution of literature by its employees, at all times on Respondent's premises, which includes non-work areas;

c. A "Dress Code" policy prohibiting its employees while at work from wearing any buttons or logos on their clothing unless approved by a team leader.

d. A Parking Lot policy directing its employees to report anyone they do not know who is loitering in Respondent's parking lot.

3. By threatening employees with discipline for engaging in activities on behalf of the Union, the Respondent has violated Section 8(a)(1) of the Act.

4. By distributing a leaflet to its employees in which it threatened its employees that its Valley Stream facility would close if employees chose the Union as their collective-bargaining representative, the Respondent has violated Section 8(a)(1) of the Act.

5. By showing its employees a video which states that Respondent will enforce its solicitation and distribution policies, the Respondent has violated Section 8(a)(1) of the Act.

6. By enforcing its no-solicitation policy by directing its employees not to solicit for the Union on Respondent's property, the Respondent has violated Section 8(a)(1) of the Act.

7. By interrogating its employees regarding their activities on behalf of the Union, the Respondent has violated Section 8(a)(1) of the Act.

8. The Respondent has not violated the Act, as set forth in paragraphs 14(a) and 14(b) of the complaint, by threatening its employees that the Valley Stream store would close if they chose the Union as their collective-bargaining representative.

9. The Respondent has not violated the Act, as set forth in paragraph 18 of the complaint, by threatening its employees that if they chose the Union as their collective-bargaining representative and there was a strike, Respondent's Valley Stream facility would close.

Remedy

Having found that the Respondent has engaged in certain unfair labor practices, I find that it must be ordered to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act.

Inasmuch as I have found the Respondent has maintained unlawful rules in its Handbook, I shall recommend that it be ordered to rescind those rules, remove them from the

Team Member Handbook, and advise its employees in writing that these rules are no longer being maintained or enforced.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended¹⁰

ORDER

The Respondent, Target Corporation, Valley Stream, NY, its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Maintaining and enforcing the following rules in its Team Member Handbook:

A no-distribution rule that prohibits its employees from distributing any literature at any time on its Valley Stream premises, which includes non-work areas.

A "Use Technology Appropriately" policy prohibiting its employees from releasing confidential guest, team member, or company information.

A "Communicating Confidential Information" policy which prohibits its employees from sharing confidential information with other employees; directs its employees to talk to their supervisors if they are unsure regarding sharing confidential information; and prohibits its employees from having discussions regarding confidential information in the breakroom, at home or in open areas and public places.

An "Unauthorized access to confidential information" policy which directs its employees to report unauthorized access to confidential information or misuse of confidential information to the Respondent; and threatens its employees with corrective action, including termination and criminal prosecution, for a violation of the policy on confidential information.

An "After Hours" rule prohibiting its employees from returning to its premises, which includes non-work areas, during their off hours.

A No Solicitation/No Distribution Policy prohibiting solicitation or distribution of literature by its employees, at all times at the Valley Stream facility and premises, which includes non-work areas.

A "Dress Code" policy prohibiting its employees while at work from wearing any buttons or logos on their clothing unless approved by a team leader.

A Parking Lot policy directing its employees to report anyone they do not know who is loitering in its Valley Stream parking lot.

(b)Threatening employees with discipline for engaging in activities on behalf of the

¹⁰ If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

Union.

(c) Distributing leaflets to its employees in which it threatened its employees that its Valley Stream facility would close if employees chose the Union as their collective-bargaining representative.

(d) Showing its employees a video which states that it will enforce its solicitation and distribution policies.

(e) Enforcing its no-solicitation policy by directing its employees not to solicit for the Union on its property.

(f) Interrogating its employees regarding their activities on behalf of the Union.

(g) In any other manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Rescind the rules set forth above, remove them from the Team Member Handbook, and advise its employees in writing that the rules are no longer being maintained or enforced.

(b) Within 14 days after service by the Region, post at its facility in Valley Stream, NY, copies of the attached notice marked "Appendix."¹¹ Copies of the notice, on forms provided by the Regional Director for Region 29, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places including all places where notices to employees are customarily posted. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material. In the event that, during the pendency of these proceedings, the Respondent has gone out of business or closed the facility involved in these proceedings, the Respondent shall duplicate and mail, at its own expense, a copy of the notice to all current employees and former employees employed by the Respondent at any time since March 1, 2011.

(c) Within 21 days after service by the Region, file with the Regional Director a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

(d) IT IS FURTHER ORDERED that Case No. 29-RC-12058 is severed from the consolidated complaint cases, that the election conducted therein is set aside, and that Case 29-CA-12058 is remanded to the Regional Director for Region 29 to conduct a second election. A second election by secret ballot shall be held among the employees in the unit found appropriate, whenever the Regional Director deems appropriate. The Regional Director shall direct and supervise the election, subject to the Board's Rules and Regulations. Eligible to vote are those employed during the payroll period ending immediately before the date of the Notice of Second Election, including employees who did not work during that period because they were

¹¹ If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

ill, on vacation, or temporarily laid off. Also eligible are employees engaged in an economic strike that began less than 12 months before the election date and who retained their employee status during the eligibility period and their replacements. Those in the military services may vote if they appear in person at the polls. Ineligible to vote are employees who have quit or been discharged for cause since the payroll period, striking employees who have been discharged for cause since the strike began and who have not been rehired or reinstated before the election date, and employees engaged in an economic strike that began more than 12 months before the election date and who have been permanently replaced. Those eligible shall vote whether they desire to be represented for collective bargaining by the United Food and Commercial Workers Local 1500. To ensure that all eligible voters have the opportunity to be informed of the issues in the exercise of their statutory right to vote, all parties to the election should have access to a list of voters and their addresses that may be used to communicate with them. *Excelsior Underwear*, 156 NLRB 1236 (1966); *NLRB v. Wyman-Gordon Co.*, 394 U.S. 759 (1969). Accordingly, it is directed that an eligibility list containing the full names and addresses of all the eligible voters must be filed by the Employer with the Regional Director within 7 days from the date of the Notice of Second Election. *North Macon Health Care Facility*, 315 NLRB 359 (1994). The Regional Director shall make the list available to all parties to the election. No extension of time to file the list shall be granted by the Regional Director except in extraordinary circumstances. Failure to comply with this requirement shall be grounds for setting aside the election whenever proper objections are filed.

Dated, Washington, D.C., May 18, 2012.

Steven Davis
Administrative Law Judge

APPENDIX

NOTICE TO EMPLOYEES

**Posted by Order of the
National Labor Relations Board
An Agency of the United States Government**

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this Notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union
Choose representatives to bargain with us on your behalf
Act together with other employees for your benefit and protection
Choose not to engage in any of these protected activities

WE WILL NOT maintain or enforce the following rules in our Team Member Handbook:

A no-distribution rule that prohibits you from distributing any literature at any time on our Valley Stream premises, which includes non-work areas.

A "Use Technology Appropriately" policy prohibiting you from releasing confidential guest, team member, or company information.

A "Communicating Confidential Information" policy which prohibits you from sharing confidential information with other employees; directs you to talk to your supervisors if you are unsure regarding sharing confidential information; and prohibits you from having discussions regarding confidential information in the breakroom, at home or in open areas and public places.

An "Unauthorized access to confidential information" policy which directs you to report unauthorized access to confidential information or misuse of confidential information to the Respondent; and threatens its employees with corrective action, including termination and criminal prosecution, for a violation of the policy on confidential information.

An "After Hours" rule prohibiting you from returning to our premises, which includes non-work areas, during your off hours.

A no solicitation/no distribution policy prohibiting solicitation or distribution of literature by you, at all times at the Valley Stream facility and premises, which includes non-work areas;

A "Dress Code" policy prohibiting you while at work from wearing any buttons or logos on your clothing unless approved by a team leader.

A Parking Lot policy directing you to report anyone you do not know who is loitering in our Valley Stream parking lot.

WE WILL NOT threaten you with discipline for engaging in activities on behalf of the Union.

WE WILL NOT give you leaflets in which we threaten you that our Valley Stream facility would close if you choose the Union as your collective-bargaining representative.

WE WILL NOT show you a video which states that we will enforce our unlawful solicitation and distribution policies.

WE WILL NOT enforce our no-solicitation policy by directing you not to solicit for the Union on our property.

WE WILL NOT question you about your activities on behalf of the Union.

WE WILL NOT in any other manner interfere with, restrain, or coerce you in the exercise of the rights guaranteed by Section 7 of the Act.

WE WILL rescind the unlawful rules set forth above, remove them from the Team Member Handbook, and advise you in writing that the rules are no longer being maintained or enforced.

		_____ TARGET CORPORATION (Employer)	
Dated _____	By _____	_____ (Representative)	_____ (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlr.gov.

One MetroTech Center (North), Jay Street and Myrtle Avenue, 10th Floor
Brooklyn, New York 11201-4201
Hours: 9 a.m. to 5:30 p.m.
718-330-7713.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER, 718-330-2862.